THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

National Intelligence Officers

7 April 1981

MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM

: Richard Lehman

National Intelligence Officer for Warning

SUBJECT

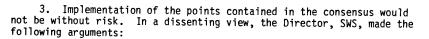
: Future of the Strategic Warning Staff (SWS)

The Warning Working Group met on 13 March 1981 to discuss the future of the Strategic Warning Staff (or its successor) with a view $\frac{1}{2}$ toward improving its contribution to the Intelligence Community and/or the Policy Community. Attendees at the meeting are listed in Attachment A.

- 1. The Group considered three papers: a sub-committee report which they had commissioned (Attachment B), and independent view by a consultant (Attachment C), and one reflecting the views of the Director, SWS (Attachment D).
- 2. In the course of the discussion, a three-part consensus emerged.
 - Emphasis of the Staff or its successor should be on management, both substantive and nonsubstantive. In the former case, the Staff should ensure that a complete range of the "right questions" are asked of the line production elements thus serving a challenge or conscience function without becoming a separate, competing analytical entity. On non-substantive issues, attention needs to be devoted to the areas of warning resources and planning.
 - -- The Group leaned toward putting less weight on the independence now embodied in the semi-autonomous state of the SWS and more on serving as a instrument of the NIO/W.
 - -- Location at either DIA or CIA Hqs. would be acceptable. Since the Staff is entirely dependent on analytical support from line production elements, location a would not be satisfactory.

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Reasonable alternative	hypotheses explain-
ing events of potentially major	warning signifi-
cance, when disseminated beyond	the Intelligence
Community, serve a useful purpos	se.

The existing Staff ofprofessional
andadministrative personnel is fully employed
in following situations likely to involve signifi-
cant security interests of the United States,
especially where US-USSR confrontation might re-
sult. To broaden this mission, while at the same
time reducing the number of people, would be
counter-productive.

- -- A semi-autonomous Staff under the general supervision of the NIO/W could provide the directed analytic support necessary to insure that all reasonable interpretations of available evidence having important warning implications are investigated. At the same time, maintaining the Staff in a semi-autonomous status would free the NIO/W from substantive controversy within the Community that might compromise his efforts in coordination of the overall community warning effort.
- -- The Staff's experience suggests that, should it no longer be involved in publishing as a separate entity, it is likely to become simply another current intelligence organization, but one that is unheared. Therefore, the SWS recommendation is to maintain an autonomous entity like the SWS, or if that is unacceptable, abolish the SWS, create no follow-on entity, and return the scarce analyst assets to the parent intelligence organization.
- 4. Notwithstanding the risks expressed in Paragraph 3 above, the Warning Working Group recommends the following:
 - a. Abolish the SWS.

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b. Expand the NIO/W staff at Langley by	
o. Expand the NIO/W Statt at Langley by I	
professionals and one administrative aide for	
professionals and one administrative alge for	a

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SUBJECT: Future of the Strategic Warning Staff (SWS) NFAC #1958-81 7 April 1981

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SUBJECT: Warning Matters (NFAC #3199-81)

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ATTACHMENT A

Warning Working Group Meeting
13 March 1981

<u>Attendees</u>

Richard Lehman, NIO/W - Chairman

DIA

Richard J. Kerr, CIA

Robert A. Martin, State/INR

NSA

Peter C. Oleson, DoD

CTS

RMS

SWS

A/NIO/W

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THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

National Intelligence Officers

NFAC #353/81

27 January 1981

MEMORANDUM FOR: National Intelligence Officer

for Warning

SUBJECT

: Strategic Warning Staff

- 1. As you will recall, the Warning Working Group appointed a subcommittee last fall to review the role of the SWS. Its charter was to investigate the mission, composition, subordination, location, and publication policy of the Staff with a view towards improving its contribution to the Community.
- 2. The paper at attachment A contains the recommendations of the subcommittee. The only area of disagreement was whether manning should be on a rotational basis representing the principal agencies or permanent cadre drawn from a larger population (see p. 5). Final wording of the text was left to the undersigned, who assumes full responsibility for its content.
- 3. The composition of the subcommittee is at attachment B. The report has not been coordinated with agency principals.

Assistant
National Intelligence Officer
for Warning

Attachments: As stated

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ATTACHMENT A

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encourage a dialogue between Washington and the field. Any larger analytic or "conscience" role would have to be assumed by appropriate NIOs.

-- Option E: No SWS. Further reduction in manning would make maintenance of a separate SWS inefficient. This option would therefore further augment the NIO/W staff by more professionals and a clerical for a total of these positions would provide the nucleus for a strong research effort and provide some additional backup to the NIOs responsible for strategic warning.

Option F: No special Attention to Strategic Warning.
This would not only eliminate SWS but somewhat reduce NIO/W's
staff from that in Option E. He would have an A/NIO,
officers responsible for plumbing, systems, budget. and suppor
to the NIOs, andclericals, for a total of including
the NIO/W himself

The DCI approved option C, however the transfer of professionals and a clerical from the SWS to the NIO/W office was never accomplished.

DCID 1/5 delineates responsibilities for the NIO/W, the NIOs and the SWS. Relevent portions follow:

The $\underline{\text{NIO/W}}$ is charged to advise and assist the Director and Deputy Director of Central Intelligence on all matters relating to warning, to coordinate national intelligence warning activities, and to serve as a focal point for warning in the Community. For organizational purposes, he will be located in the National Foreign Assessment Center. He will to the maximum extent rely on existing organizations in carrying out his duties. The responsibilities of the National Intelligence Officer for Warning are:

i. To oversee analysis of intelligence from all sources which might provide warning. In particular, he should be alert to alternate interpretations within the Community and assess these with a view to the need for issuance of warning. He should encourage consultation and substantive discussion at all levels of the Community.

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ii. To recommend to the Director or Deputy Director of Central Intelligence the issuance of warning to the President and National Security Council, and to ensure the dissemination of such warning within and by the organizations of the Intelligence Community. When time is of the essence, the National Intelligence Officer may issue such warning directly to the President and the National Security Council with concurrent dissemination to the Director and Deputy Director of Central Intelligence and senior officers of the Intelligence Community.

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- iii. To advise the Deputy Director for Collection Tasking and Deputy Director for National Foreign Assessment on appropriate Community response to developing warning situations.
- iv. To develop plans and procedures for support of the Director of Central Intelligence in crisis situations.
- v. To support the Deputy Director of Central Intelligence and the National Foreign Intelligence Board on warning matters.
 - vi. To chair the Warning Working Group.
- vii. To oversee the warning activities of the National Intelligence Officers.
 - viii. To supervise the Strategic Warning Staff.
- x. To develop a warning consciousness and discipline throughout the Community.
- $\,$ xi. To seek improvements in methodologies and procedures for warning, including communications and dissemination of information.
- xii. To arrange with appropriate organizations of the government for provision to the National Intelligence Officer for Warning and the Strategic Warning Staff of the information they need to carry out their mission.
- xiii. To promote improved analyst training in indications and warning techniques and in other analytic techniques that might contribute to improved warning.
- xiv. To advise the Deputy for Collection Tasking and the Deputy for Research Management, as appropriate, on warning activities that relate to their responsibilities.

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The National Intelligence Officers are specifically charged with substantive responsibility for warning in their respective fields. They will conduct Communitywide reviews at least monthly of situations potentially requiring issuance of warning, and will keep the Director of Central Intelligence advised of the results, in consultation with the National Intelligence Officer for Warning. They will be continually alert to the need for immediate issuance of warning.

The Strategic Warning Staff will be under the supervision of the National Intelligence Officer for Warning. Its principal functions are

to assist him in his responsibilities with respect to strategic warning and to conduct research with respect thereto. It may also engage in other warning related activities within the Intelligence Community with the concurrence of the National Intelligence Officer for Warning.

II. The Evolution: The NIO/Warning position was established in October, 1978 to provide a single point of accountability for warning at the National level. Prior to that time, emphasis had been on "strategic warning,"* and that flavor carried over to the new organization. Most assumed the NIO/W would continue to observe precedence and devote most of his attention to the threat of hostilities involving US military forces (by implication--USSR, North Korea, or China). A trend had already started, however, which was to broaden the scope of warning** attention considerably. Over time, there had been a gradual realization that most "intelligence warning failures" had had nothing to do with the use of military force against US troops, ships, or aircraft, nor had they involved the use of force by the USSR, North Korea, or China. The Community was already moving from an emphasis on the more restrictive strategic warning to the broader context of avoiding surprise.

Concurrently, the NIOs were assuming their revitalized warning roles. The Alert Memorandum was revivified as the principal national level warning vehicle. Potential crises in Iran, Pakistan, Egypt/Libya, Nicaragua, and El Salvador, among others, became the subjects of Alert Memoranda whose production was chaired by the responsible area NIO in concert with the NIO/W. Potential crises, and their warning implications, were judged important as a result of their impact on US policy interests. The old strategic warning-imminent hostilities concept was not abandoned, nor was it deemphasized. Rather, it was subsumed by a broader warning context.

Meanwhile, our concept of the Strategic Warning Staff's mission lagged the realities evolving in the Community. The SWS mission had been extrapolated from its previous role—Big W, or strategic warning concerning the USSR, North Korea, and China. Provisions had been made to broaden its area of interest at the discretion of the NIO/W, but this was envisioned as an infrequent, ad hoc occurence. The Director of the SWS was charged to concentrate on the larger problems threatening general war.

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^{*}DCID 1/5 defines strategic warning as "intelligence information or intelligence regarding the threat of the initiation of hostilities against the US or in which US forces may become involved; it may be received at any time prior to the initiation of hostilities. It does not include tactical warning.

^{**}DCID 1/5 defines warning as "those measures taken, and the intelligence information produced, by the Intelligence Community to avoid surprise to the President, the NSC, and the Armed Forces of the United States by foreign events of major importance to the security of the United States. It includes strategic, but not tactical warning.

The Chinese-Vietnamese imbroglio, the Soviet invasion of Afghanistan, and the Polish crisis with its potential for Soviet intervention served to keep the Staff occupied through 1979 and 1980. At the same time, however, the NIO for Warning staff of was hard pressed to keep up with the rest of the world. As the NIO for Warning assumed his role as warning conscience to the regional NIOs, the Intelligence Community, and the DCI, it became apparent that he needed more help in areas other than strategic warning.

III. The Problem: No one disagrees that the Community needs a warning conscience, and DCID 1/5 charges the NIO/W with that task. While the SWS has supported him well with respect to the Soviet Union and China, they have done little or nothing in other areas. Yet twenty four of the thirty one Alert Memoranda issued since the NIO for Warning was established have been concerned with other areas. The present NIO/W staff of professionals is just not enough.

In early 1979 the DCI decided to leave the SWS in the Pentagon for various reasons not the least of which were historical. As the warning responsibilities have shifted to the NIOs at Langley, it has become increasingly difficult to do business via the grey telephone and the Bluebird shuttle bus. As a result, the ability of the Staff to effectively support the NIO for Warning (and the other NIOs) has suffered.

IV. <u>The Solution</u>: There are five major elements to be considered in establishing a revitalized, pertinent SWS.

-- Direct Control by the NIO for Warning

We recommend eliminating the SWS as a separate, semi-autonomous body, and replacing it with an enlarged NIO/W staff consisting of officers in addition to the NIO/W and A/NIO/W. Most of the subcommittee believe the personnel should represent the major intelligence agencies; from CIA, from DIA, and from NSA and State/INR, all serving on rotational tours. A minority view would prefer disassociating the personnel from the agencies and establishing permanent cadre rather than rotational tours. A mix of the two approaches is probably the best approach. Consideration should be given to retaining an additional CIA slot as a liaison to the DIA warning office.

-- Expansion of Mission: The NIO/W's area of interest and responsibility is worldwide. If his staff is augmented as we recommend, emphasis should be on selecting officers with broad, general experience who are well schooled in the warning discipline. The NIO/W staff should review community intelligence production to ensure it adequately treats the warning aspects, provide aggressive skepticism in the face of too comfortable an acceptance of the conventional wisdom, and research longer term matters of warning significance worldwide.

- -- Access to Community Resources: Implicit in the arrangement we recommend is broad access to community analytical resources. This should be facilitated by the manning recommended above, with representation by CIA, DIA, NSA and State. The NIO/W should, like the other NIOs, tap Community resources for assistance when it is needed.
- -- Access to the NIO/W and NIOs: The need for effective communication between the NIO/W, NIO/W staff, and the geographic NIOs dictates location of the staff at Langley.
- -- Access to Customers: The NIO/W should publish, either routinely or aperiodically, for the consumption of the Intelligence Community. Subjects should include alternative hypothesis and research in depth on warning matters. In times of impending crisis, the NIO/W should have the option of expanding distribution to include the policy community.

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ATTACHMENT B

COMPOSITION OF SUBCOMMITTEE

A/NIO/W - Chairman NSA

State/INR

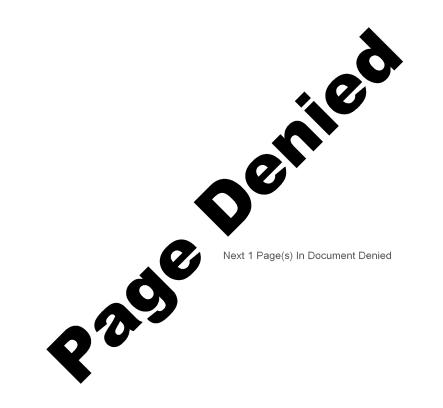
CIA

DIA

William D. Howells DUSD (PR/IP)

William J. Peterson

Douglas J. MacEachin



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THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

National Intelligence Officers

NFAC #501/81

30 January 1981

MEMORANDUM FOR: National Intelligence Officer

for Warning

SUBJECT

: Review of the Strategic Warning Staff (S)

- 1. The following is based on several days of interviewing former directors of the Strategic Warning Staff (SWS), looking at a few of the staff's products and reading background memoranda on alternatives to the SWS that have been considered in the last few years. This brief review has not led me to any earth-shaking insights or novel recommendations, or to extremely high confidence in my conclusions. My basic impression is that preservation of SWS as a separate entity is not vital as long as its demise is coupled with a beefing up of your Warning Staff at CIA. By the same token, however, it is not obvious that abolition of SWS under that condition would serve much purpose beyond marginal administrative consolidation and budgetary savings. How those savings balance out against the slight political advantages (in terms of bureaucratic credibility and congressional oversight) of retaining a separate unit, I can't judge. But it is not clear that the SWS' operational problems (such as recruiting better personnel) would be solved by moving it to Langley. (S)
- 2. A third alternative of abolishing SWS <u>without</u> compensating expansion of staff under the National Intelligence Officer for Warning (NIO/W)--as a gesture toward the new austerity in government--would be a mistake. While it might not dramatically raise the odds of a (non-) warning disaster, the incremental increase in the odds of unpleasant surprises, or reduction in the means for prodding analysts into more "warning consciousness," probably outweigh the savings from paring a few analysts off the employment roles. (S)
- 3. Finally, a fourth alternative of compromise, reducing the size of SWS but transferring only one or two people to your staff at CIA, probably makes little sense. One staff with a critical mass seems

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better than two mini-staffs. If SWS as it stands is inadequate or superfluous, what is to be gained by keeping it at a level that would further reduce its competence? Fish or cut bait. (S)

4. In short, the scale and function of SWS should be preserved, but its form or location need not be. The attached report, "Assessment of the Strategic Warning Staff," offers the reasoning behind these views. (S)

Consultant to the

Consultant to the National Intelligence Council

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Strategic Warning Staff

Washington, D.C. 20301

S-0007/SWS

6 February 1981

D

MEMORANDUM FOR THE NATIONAL INTELLIGENCE OFFICER FOR WARNING

SUBJECT : Review of the Role of the Strategic Warning Staff

Reference: NFAC Memo #353/81, Strategic Warning Staff, 29 Jan 81.

- 1. The following sets forth the view of the Strategic Warning Staff of the mission, composition, subordination, location, and publication policy of the Strategic Warning Staff, including improvements thereto, especially as related to the referenced study.
- The mission of the Strategic Warning Staff, however its role is defined, is properly accomplished only if it ultimately improves the quality and timeliness of warning intelligence to consumers in the national security policy community. The strategic warning with which the Staff, and indeed the NIO/W, should be most concerned is that of events likely to have great significance to the security of the United States either because they involve vital national interests such as availability of Persian Gulf oil, or because they carry strong possibilities of bringing the forces of the United States into confrontation with the forces of the Soviet Union, North Korea, or China. There are indeed other changes in the world environment for which the policymakers would like warning but which are of less significance to United States security policy. The reporting and analysis of these changes seems more properly the domain of the large and well organized current intelligence establishments of the members of the intelligence community. Neither the Strategic Warning Staff nor any other part of the national intelligence warning system should become involved in the establishment of another current intelligence organization. There are clearly enough in the community.
- 3. As set forth in the DCID 1/5, the mission and role of the Strategic Warning Staff are tightly entwined with those of the NIO/W. The NIO/W's Letter of Instruction (LOI) for the Director, SWS of 2 October 1979, and subsequent advance work plans, reflect the close relationship of the Staff and the NIO/W's duties. The NIO/W outlined in the LOI the three main functions of the Staff as: serving as the conscience of the Intelligence Community with regard to strategic warning; providing synthesis of military, political, and economic intelligence related to strategic warning; and conducting research on strategic warning matters and promoting Community intelligence production in this field. The subsequent advance work plans broadened the specific areas of interest to include those that were, at the time, likely to involve significant



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security interests of the United States, such as Soviet penetration of specific nations along the sea lanes for shipment of oil from the Persian Gulf to Europe, especially where Soviet involvement might bring the US and USSR into confrontation. Based on the experience of the last year in a survey of some of the principal consumers of warning intelligence outside the intelligence community, the NIO/W directives as outlined above seem appropriate.

- Consumers of intelligence and especially of warning intelligence have for some time--about ten years--pleaded for full expression of intelligence conclusions describing or predicting events, even including what has come to be known as alternative hypotheses. The Strategic Warning Staff was directed to provide "reasonable hypotheses not covered in other community publications, providing alternate explanations and short-term forecasts for situations of a threatening nature." According to some of the consumers of warning intelligence in security policy circles, the provision of alternative hypotheses has been invaluable. A complaint or lament often registered is that there have been too few instances over the years where such alternative hypotheses have been offered. Our experience on the Staff suggests that, although not impossible, it is extremely difficult for the main intelligence organizations to systematically provide such hypotheses. There is a certain normal inertia in bureaucracies that tends to slow a change in opinion about political or political-military events. It is clear, therefore, that some organization is needed to provide reasonable hypotheses not covered in other community publications to provide alternative explanations and short-term forecasts for situations of a threatening nature. Recent experience does, however, suggest that whatever organization is expected to provide such hypotheses should be autonomous from the main line intelligence production organizations, and preferably have direct access to the DCI. It should not be encumbered by an association with one or another production members of the intelligence community.
- 5. Warning situations are by their very nature time-sensitive and are not appropriate subjects for long, drawn out substantive negotiations among members of the community. Among organizations, persuasiveness is often equated with bureaucratic power rather than substantive attractiveness. It is for this reason that whatever entity takes on the responsibility of providing alternative hypotheses it must be clearly separate from the other organizations and be able to publish the case for an alternative hypothesis for the consumption of non-intelligence security policy consumers. Over the past year and a half, conclusions of Strategic Warning Staff analysis have almost always failed to persuade the community, in a timely fashion, to address the issue of an alternative hypothesis except when the Staff published on its own. The cases of the invasion of Afghanistan and the Iran-Iraq war, both of which were correctly analyzed by the Staff, but for which the analysis was not published outside the

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intelligence community, were cases where the security policy consumer was not provided with alternative hypotheses in a timely manner. On the other hand, the Staff's alternative hypotheses with respect to changes in Soviet policy toward Iran and the Soviet's sense of urgency over the events in Poland, received close attention by the intelligence community and early attention by policymakers because of the Staff's published conclusions which were distributed to the national security policymakers.

- 6. The NIO/W is responsible for many other warning related activities of the intelligence community that require him to be closely associated with research and training efforts, production efforts, and coordination of warning related matters within the whole community. It would seem a difficult challenge indeed for the NIO/W to accomplish these cooperative functions while personally engaging in the production of alternative hypotheses to those offered by the organizations with which he must be associated. It has been useful, we believe, for the Warning Staff to initiate these alternative analyses that, although done with the approval of the NIO/W, are not personally associated with him. The proposals of the Warning Working Group, if implemented, would probably make it difficult for the NIO/W to publicize alternative hypotheses, as his own, without putting in jeopardy his close working relationship with the intelligence agencies.
- 7. The Strategic Warning Staff has been functioning well since its manning level has again approached that authorized and would no doubt operate better if the State Department filled its slot. The experience of the past year has shown how important it is to have analysts assigned to the Staff who are familiar with the political analysis community, the photo interpretation community, the SIGINT community, and the military analysis community. better balance and considerably more flexibility would accrue to the Staff, should the State Department fill its slot. It has seemed important that analysts on the Staff come from at least the three main intelligence organizations; because of particular expertise, because of different bases from which they approach the problem, and because of the ability to communicate back with analysts of their parent agency. Although the Staff has not always been provided with quality analysts, there has been a noticeable change for the better since the current DCID 1/5 was promulgated in May 1979. experienced analysts are of use to the Staff because warning is a predictive action, almost like the detection of change yet to come. Inexperienced analysts would have an inadequate basis for detecting or predicting such change. The present staff includes nine substantive and four administrative personnel. With the world in its current volatile condition, the Staff would be hard pressed to sustain operations with fewer persons.
- 8. The location of the Strategic Warning Staff, or its follow-on, is important only to the extent that it allows access to the flow of intelligence information and the NIO/W. The Staff's effectiveness would probably be improved by some sort of more direct access to the DCI. Location might have

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some bearing on said access. As implied earlier in this paper, it is important, however, that the location of the Strategic Warning Staff not be taken by the intelligence community at large as an indication that the Staff, by whatever name, is owned by some one of the agencies. We have noticed for example that some of our conclusions were thought of as DIA conclusions simply because our mailing address is DIA/SWS; presumably the same problem would occur if the Staff were moved to Langley. With respect to avoiding the illusion that the Staff belongs to some agency, it might better be

The warning function, as expressed in the DCID 1/5 and in the study by the House Permanent Select Committee on Intelligence, might be better performed with somewhat more publication by the Staff, by a closer relationship with the NIO/W, and by a closer relationship of the NIO/W with the DCI concerning the analysis done by the Staff. On the other hand, the Staff's experience with the community when its conclusions were not published suggests that, should the Staff no longer be involved in publishing as a separate entity, it is likely to become simply another current intelligence organization, but one that is unheard. An enlarged staff for the NIO/W, intended to cover the world, would be like a smaller version of the old National Indications Center with less capability to provide either the basis to act as a conscience of the community or good current intelligence. The solution as recommended in the referenced NFAC memo seems costly in analyst assets but not very valuable as an intelligence tool. It might even be counterproductive if seen as a threat to the reporting responsibility of other current intelligence organizations, preventing the NIO/W from establishing and maintaining the close relationship intended by the DCID 1/5. Our recommendation is to maintain an autonomous entity like the SWS, or if that is unacceptable, abolish the SWS, create no follow-on entity, and return the scarce analyst assets to the parent intelligence organizations.

Director, Strategic Warning Staff